

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA

Ann & David Alexander, individually and on behalf of
Bushy Box LLC & Lazy Leash LLC, Plaintiffs,
v.
Etsy, Inc., Defendant.

Case No.: 2:24-cv-6567-DCN-MGB

Jury Trial: ☒ Yes ☐ No

COMPLAINT FOR A CIVIL CASE

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I. The Parties to This Complaint

A. The Plaintiff(s)

- Name: Ann & David Alexander
- Street Address: 1541 Island Overlook
- City and County: Mount Pleasant, Charleston County
- State and Zip Code: South Carolina, 29464

B. The Defendant(s)

- Name: Etsy, Inc.
- Street Address: 117 Adams Street
- City and County: Brooklyn, Kings County
- State and Zip Code: New York, 11201

II. Basis for Jurisdiction

☐ Federal Question: (List the federal statutes, treaties, or provisions of the U.S. Constitution at issue in this case.)

☒ Diversity of Citizenship:

The Plaintiff(s):

- The plaintiff, Ann & David Alexander are citizens of the State of South Carolina.
- Bushy Box LLC & Lazy Leash LLC are incorporated under the laws of the State of South Carolina and have their principal place of business in South Carolina.

The Defendant(s):

- The defendant, Etsy, Inc., is incorporated under the laws of the State of Delaware and has its principal place of business in New York.
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III. Statement of Claim

1. Background

Plaintiffs Ann & David Alexander own and operate Bushy Box LLC and Lazy Leash LLC. The Plaintiffs have invested significant time, creativity, and resources into inventing, developing and marketing their innovative home, garden & pet products. They designed all of their products, took their own photographs, wrote their own copy, ensuring compliance with Etsy's requirements for originality and creativity.

Both businesses gained substantial positive customer feedback, high review ratings, and contributed to charitable initiatives: **Bushy Box LLC** Planted a tree for every product sold through a partnership with One Tree Planted. **Lazy Leash LLC** supported the Vanderpump Dog Foundation and promoting animal welfare.

2. Account Suspension

On or around the end of August 2024, Etsy suspended the Plaintiffs' seller accounts for both businesses without providing specific reasons or actionable steps for resolution. The Plaintiffs immediately sought clarification, but the only responses they received were generic, automated messages.

- Despite numerous attempts and methods of contacting Etsy through contact forms, appeals, letters and communication from our attorney, all communications received from Etsy were cut-and-paste responses with no case-specific customization or human review. Despite Etsy's motto '*Keep Commerce Human*' They do not provide a phone number or any way at all for us to contact a human.
- Despite submitting evidence to demonstrate compliance with Etsy policies, the Plaintiffs received no meaningful engagement or explanation for the account suspensions.
- The Plaintiffs have included all written communication received from Etsy as evidence, which highlights the lack of human involvement and the failure to provide substantive feedback on their case.

This treatment has been deeply demoralizing for the Plaintiffs, akin to being terminated from a job without explanation or recourse. It has placed significant emotional and financial stress on their family.

3. Compliance with Etsy's Policies

The Plaintiffs' products fully comply with Etsy's policies, as demonstrated below:

- **Original Designs:** All products sold by Bushy Box LLC and Lazy Leash LLC are uniquely designed by the Plaintiffs. They are the original creators of all product concepts.
- **Creativity Standards:** The Plaintiffs' products meet Etsy's definition of creativity, with unique patented designs and high-quality craftsmanship.
- **Handmade Policy:** Plaintiffs hand-make many of our own products, and now outsource manufacturing to meet demand, the products remain compliant because they were originally designed and developed by the Plaintiffs, which aligns with Etsy's policy permitting seller-designed goods.
- **Accurate Representation:** Product listings transparently describe the products and their origin, ensuring alignment with Etsy's requirements for honesty and integrity in product descriptions.

Despite complying with all policies, Etsy has failed to demonstrate any specific violations, leaving the Plaintiffs without recourse.

4. Violation of Etsy's User Agreement

Etsy's User Agreement and Seller Policies create an implied obligation of good faith and fair dealing, which the Defendant has violated by:

- **Failure to Provide Reasonable Notice:** Etsy suspended the accounts without providing specific reasons or actionable steps for resolution.
- **Lack of Transparency:** Etsy's refusal to engage with the Plaintiffs beyond automated responses violates the principles of fairness and transparency outlined in their policies.
- **Denial of Due Process:** By failing to provide a meaningful process for contesting or resolving the suspensions, Etsy has unfairly deprived the Plaintiffs of their ability to operate their businesses.

The Defendant's actions are not only contrary to the terms of their agreement but also harmful to the Plaintiffs, who relied on their Etsy accounts as a primary source of income.

IV. Relief Requested

The Plaintiffs seek the following relief:

1. Monetary Damages

- Compensation for lost income and projected future income losses totaling: \$4,005,999.03.

As a direct result of Etsy's suspension:

- Plaintiffs have lost all sales since August 2024, totaling an estimated \$4,521 through November 2024.
- Plaintiffs were denied the opportunity to proceed with their global expansion, which was projected to generate \$61,659.72 in sales over the next 12 months.
- The long-term loss of business over 25 years, assuming a 5% annual growth rate, amounts to approximately \$3,923,786.07.

The suspension has caused significant financial and reputational harm to Plaintiffs' businesses, hindering their ability to operate and expand.

2. Injunctive Relief

- An order requiring Etsy to reinstate the Plaintiffs' accounts immediately and without restrictions.

3. Declaratory Relief

- A court declaration that Etsy violated its own user agreement and acted unlawfully by suspending the Plaintiffs' accounts without justification or due process.

4. Costs and Fees

- Reimbursement of legal fees, court costs, and additional expenses incurred in pursuing this case.

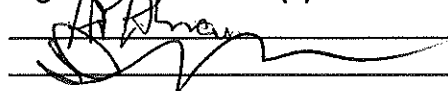
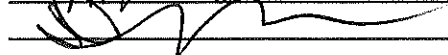
V. Certification and Closing

Under Federal Rule of Civil Procedure 11, the Plaintiffs certify that this complaint:

1. Is not being presented for an improper purpose, such as to harass or needlessly increase litigation costs;
2. Is supported by existing law or a nonfrivolous argument for extending, modifying, or reversing existing law;
3. Has factual contentions that have evidentiary support or are likely to have evidentiary support after reasonable investigation or discovery; and
4. Complies with the requirements of Rule 11.

Date of signing: _____, 20

Signature of Plaintiff(s):

 (Ann Alexander)
 (David Alexander)

Attachments

1. **Communication Evidence:** Copies of all email correspondence and responses received from Etsy, demonstrating the lack of customization and refusal to engage substantively.
2. **Sales & Business Records:** Documentation of past sales, reviews, and product information.